

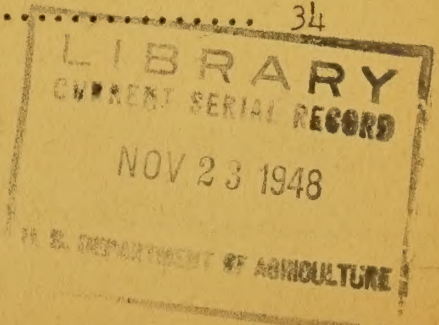
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UNITED STATES DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
1948 LOSS ADJUSTMENT MANUAL FOR CORN  
Table of Contents

| <u>Section I Organization</u>  | Page |
|--|------|
| A. General.....  | 1    |
| B. State Crop Insurance Director.....                                      | 2    |
| C. District Supervisor.....  | 2    |
| D. Adjusters.....  | 2    |
| E. County Committee.....   | 3    |
| Section II Notice of Damage or Probable Loss and Preparation of Form FCI-8 |      |
| A. General.....  | 3    |
| B. Preparation of Form 8.....  | 4    |
| Section III Inspection and Preparation of Form FCI-763                     |      |
| A. Inspections.....  | 5    |
| B. Preparation of Form 763.....  | 7    |
| C. Unmerchantable Corn Production.....                                     | 14   |
| Section IV Adjustment of Loss Claims                                       |      |
| A. General.....  | 15   |
| B. Method of Preparing Form 867.....                                       | 16   |
| C. Preparation of Form 867 For Usual Cases.....                            | 17   |
| D. Preparation of Form 867 for Unusual Cases.....                          | 26   |
| E. Cases Where Insured and Adjuster Cannot Agree.....                      | 31   |
| F. Transmitting Forms 867 to Director.....                                 | 31   |
| Section V Delayed Form(s) 8 and 867, and Corrected 867                     |      |
| A. Corrected Form(s) 867.....  | 31   |
| B. Delayed Notice of Loss (Form 8).....                                    | 31   |
| C. Delayed Statements in Proof of Loss (Form 867).....                     | 33   |
| Section VI Distribution of Forms   |      |
| A. Form 8.....   | 33   |
| B. Form 763.....   | 33   |
| C. Form 867.....   | 33   |
| D. Form 15.....  | 34   |



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1948 LOSS ADJUSTMENT MANUAL FOR CORN  
SECTION 1. ORGANIZATION

A. General

1. The importance of the loss adjustment phase of crop insurance cannot be over-emphasized. This contract with the insured enables the Corporation to demonstrate how the program works as a means of protection against unavoidable crop failure. Loss adjustment offers the adjuster an excellent opportunity to sell the basic ideas of crop insurance. A thorough explanation of each step in adjusting the loss can result in a better understanding of the contract and avoid misunderstanding which could seriously affect the reaction of the insured to the insurance program in future years.

Adjustment of losses consists of more than simply determining the production and the acreage. All decisions made must be consistent with the provisions of the contract and these instructions. In the case of every loss being adjusted consideration should be given to the question of whether or not the loss resulted from an insurable cause.

Even in connection with determining the amount of production, in cases where the loss is adjusted after harvest, the mere measuring of stored corn, and the examination of evidence of sale does not fully establish the production. These are simply pieces of evidence. They represent a minimum - not necessarily the full production. The contract places upon the insured the burden of proof that the loss resulted from an insured cause. The contract places upon the insured the responsibility for proving the amount of loss. It is the adjuster's job to determine from all sources available whether the full production has been reported by the insured. In doing so he should give consideration to general conditions in the area and to the production of other farmers in the area and the available evidence as to the condition of the crop on the insurance unit.

All factors entering into the establishment of the amount of loss shall be carefully and impartially considered. There is no place in the adjustment work for bargaining. The adjuster should make his decisions carefully with all the facts in mind and should not attempt to bargain with the insured but should use tact and good judgment in his dealings with the insured.

Accurate and impartial adjustment of loss is essential. The payment of unjust losses under the contract will be at the future expense of all insured farmers in the country through the effect on premium rates.

2. It should be remembered that the insurance unit is the acreage considered in determining a loss. The insurance unit definition is contained in Section III, A, 4, hereof and must be understood thoroughly. Probably in some cases the tract(s) of land (comprising the insurance unit) entered on the application may not constitute all of the insurable acreage of field corn on the unit. The adjuster shall determine whether all of the acreage of field corn on the insurance unit is entered on the application and if not he should be certain that the entire acreage on the insurance unit is taken into consideration in determining the amount of loss, if any, on the insurance unit.
3. Where a loss is evident after an insured corn crop matures but before it is harvested, an appraisal shall be made of the unharvested production in the field to determine whether there is a loss. If, on the basis of this appraisal, it is determined that a loss has been sustained, settlement is to be made with the insured accordingly. In these cases the insured shall be advised



that such settlement will be considered final and that a supplemental claim cannot be filed later on the basis of harvested production. This policy is necessitated by the fact that the harvest of corn is generally extended over a considerable period of time and that, where this is the case, when harvest is finally completed much of the crop has been fed to livestock or otherwise used on the farm, making it extremely difficult to arrive at the actual production for the farm. It is believed that the intelligent use of this policy will result in fairer and most equitable settlements of any losses that may occur.

4. All persons other than the state director, connected with the loss adjustment work shall refrain from making any statement to the insured or his agent either admitting or denying the liability of the Corporation for any claim made by the insured.

B. State Crop Insurance Director.

1. The Director is responsible for the supervision and coordination of the adjustment of losses within his area. Where necessary he shall authorize the appointment of adjusters. He shall assist with adjustments as conditions require. He shall be certain that persons engaged in loss adjustment are adequately trained and are thoroughly familiar with the provisions of the contract which includes the Regulations and these instructions. He shall arrange for spot checking as provided in special instructions.
2. The Director, through the appropriate state office channel, shall furnish each county committee with the names and addresses of his representatives to whom notices of damage or probable loss are to be forwarded.

C. District Supervisor

1. The Supervisor, if any, shall be in charge of the adjustment of losses within his district. He shall make inspections and adjust losses, where necessary, as assigned by the Director. He shall submit progress reports to the Director as required. If problems arise which he cannot handle, they should be called promptly to the Director's attention.
2. When authorized by the Director and as conditions require, the Supervisor shall, (1) select and appoint adjusters in order to handle the work promptly and efficiently, (2) adequately instruct and train each adjuster and shall assist in making the first few inspections and adjustments, (3) not permit adjusters to make inspections or adjust losses involving an insured crop in which the adjuster has a financial or family relationship interest. To protect the interest of the Corporation, the Supervisor may find it advisable to limit the activities of the adjuster in certain other cases.

D. Adjusters

1. Adjusters shall be under the immediate supervision of, and directly responsible to, the District Supervisor or if there is no District Supervisor, to the State Director. Any problem which the adjuster cannot handle shall be promptly discussed with the District Supervisor or the State Director if there is no Supervisor.

The adjuster shall:

- a. Be thoroughly familiar with the provisions of the contract (which includes the Regulations), the Acreage Report, if any, and the applicable procedures.



- b. Where necessary, make inspections, appraisals and reports;
- c. Assist the insured in preparing the Statement in Proof of Loss form, when requested;
- d. Answer questions raised by the insured and attempt to settle any misunderstandings in connection with the contract;
- e. Made recommendations to the Supervisor or State Director concerning improvements in the program;
- f. Prepare from county office records a list or map showing the names and locations of insured producers in his territory, which will enable him to observe conditions of the insured crops when traveling in the territory;
- g. Where necessary, make an inspection as soon as possible after the insured has reported damage or a probable loss to the insured crop.

E. County Committee

1. The County Committee is responsible for transmitting notices of damage or probable loss to the State Crop Insurance Director or such adjusters as may be designated by the Director.
2. The County Committee shall arrange for adjusters to have free access to crop insurance records and related records in the county office and for county office personnel to perform planimetry and computations of acreage in connection with loss adjustment work when so requested by the adjuster.

SECTION II

NOTICE OF DAMAGE OR PROBABLE LOSS AND PREPARATION OF FORM FCI-8

A. General

1. The insured is responsible for notifying the County Committee of damage to, or probable loss of, his insured crop. This notice should be given in writing, and placed in the insured's folder for future reference, if needed. However, any manner or form of notice is acceptable provided a satisfactory Form 8 can be prepared.
2. The County Committee upon receipt of such notice from an insured should prepare Form FCI-8 Rev., "Notice to Corporation of Damage or Probable Loss," (herein called Form 8,) in accordance with instructions set forth in Subparagraph B below, and also advise the insured that any unharvested acreage of the insured crop should not be put to another use without the written consent of an adjuster.
3. The County Committee will notify the State Crop Insurance Director (and any other Corporation representative to be notified) of the report of damage or probable loss.
4. Where the insured crop has been harvested from the insurance unit, and a loss occurs, all production records must be available for the adjuster.



Also storage receipts, sales records, corn on hand, and an accurate and complete record of the quantity of the insured crop produced on the insurance unit, which has been used for seed or feed or other purposes, must be available to the adjuster.

5. When a notice of damage is given at the county office personally or by telephone, inquiry should be made of the insured to determine whether the production for the insurance unit equals the product of (1) the reported acreage, and (2) the coverage per acre. Where some acreage has been released the applicable appraisal should be used in determining total production.
6. Where the insured corn crop has matured but has not been harvested and it appears that there will be a loss the county office should be notified immediately in order that an adjuster may appraise the quantity of production in the field for the purpose of determining whether there is a loss, and, if so, the amount of the loss.

#### B. Preparation of Form 8

1. A separate Form 8 shall be prepared for each insurance unit on which damage or probable loss is reported by the insured. It shall be prepared as follows: (Note: Before preparing a Form 8 the county committee should be certain that the insurance unit on which damage or probable loss is reported, is covered by the contract)

##### a. Heading. Enter in the spaces provided:

- (1) The name of the crop;
- (2) The name and address of the insured which must agree with that shown on the related crop insurance contract;
- (3) The state and county code and contract number;
- (4) The name of the county;
- (5) In the space provided for farm serial number, enter the insurance unit designation (number), i.e. Unit 1, Unit 2, etc., and
- (6) The contract number of other contracts covering the corn crop on the land in the insurance unit.

##### b. Data for Numbered Items

Item 1. In the case of Form 8 prepared prior to harvest, enter the name of each farm to be inspected and either the location of the farm or the legal description. In addition, enter a notation indicating where the insured may be located and the insured's telephone number if possible.

Item 2. Enter the reported acreage(s) on the insurance unit as shown on the application or acreage report followed by a dash and the applicable coverage and rate area number.



Item 3. For each acreage in item 2, enter the applicable coverage per acre.

Item 4. Enter the insured's share(s) in the crop as shown on the application or on the acreage report.

Item 5. Enter the date upon which the notice of damage or probable loss is received in the county office.

Item 6. Enter (a) the reported cause(s) of damage to the crop and a description of the result of such damage, and (b) the date of damage(s).

Item 7. This item is self-explanatory. In addition, enter the estimated production or the actual harvested production. In the case of investment insurance enter also the estimated value of the production, if ascertainable.

Item 8. This item is self-explanatory.

Item 9. (a) The person receiving the notice shall initial Form 8. The Form shall be signed and dated for the County Committee, (b) the insured shall be requested to sign Form 8 in every case where the notice is given in person. Otherwise, a notation shall be entered in this space indicating how the notice was received, i.e., by telephone, (followed by the date of the telephone call), by letter (followed by the date of the letter), by some other person (enter the name of the person giving notice and the date of the notice), etc.

Items 10 and 11. These items are self-explanatory.

Item 12. In any case where a part of the farm is "unclassified" as designated on the County Actuarial Table, a notation to this effect shall be entered in Item 12. Any other remarks deemed advisable should be entered.

## 2. Distribution

Copies of Form 8 shall be distributed as provided in Section VI hereof.

### SECTION III

#### INSPECTION AND PREPARATION OF FORM FCI 763

##### A. Inspections

1. The adjuster shall prepare a Form FCI 763 "Inspection Report" (herein called Form 763) in accordance with paragraph B below, for each farm inspected at the time the inspection is made. An inspection shall be made:
  - a. When a request for a release of acreage is received;
  - b. Where a loss is claimed (except as provided in Section V, B, hereof) or where it is determined that the insured is eligible for an indemnity;
  - c. In any case where the Corporation determines that an inspection is necessary.



2. Where Form 8 does not include a request for a release of acreage and the State Director or the District Supervisor determines that an inspection is not necessary, the insured shall be notified that:

- a. The notice was recieved and an inspection is not deemed necessary at that time, including the reason therefor;
- b. Any later material damage to, or probable loss of, the crop should be reported promptly to the county committee;
- c. When the corn crop matures but before harvest it appears that there will be a loss, the county office should be notified immediately in order that an Adjuster may appraise the quantity of production in the field for the purpose of determining whether there is a loss and, if so, the amount of loss.
- d. Where a loss has not been settled earlier and a notice of loss is not given to the county office until after all of the corn has been harvested, the insured will be required to account for all the production from the insurance unit by furnishing the adjuster with satisfactory evidence of the quantity of corn produced on the insurance unit which is fed to livestock or otherwise used on the farm, as well as of the quantity of corn produced on the insurance unit which is sold, stored, or otherwise disposed of.

This notice to the insured shall be prepared in triplicate and shall include the name and address of the insured, and the contract number. The original of this notice shall be mailed to the insured, a copy forwarded to the Director, and a copy filed in the insured's folder.

3. Where a Form 8 includes a request for a release of acreage or where the person taking action on the case determines that an inspection is otherwise necessary, the inspection shall be made promptly. If "Yes" has been entered in Item 11 of Form 8, or if Item 12 indicates that a part of the land in question is designated as "unclassified," and in any other cases where the adjusters feels it necessary, he shall contact the county office before making the inspection. In such cases the adjuster shall:

- a. Thoroughly familiarize himself with all crop insurance material, including correspondence, in the insured's folder which relates to the 1948 crop year in order that he will be able to answer any problem which arises in connection with the inspection;
- b. Obtain records or data for the insurance unit which would be helpful to him, such as a sketch of the farm or copies of Forms 763 already prepared;
- c. Form information available in the county office, prepare the heading of Form 763 for each farm involved, as provided in paragraph B,1 below.

4. It is essential that the adjuster clearly understands what consititutes an "insurance unit," because losses are adjusted on an insurance unit basis. An insurance unit consists of (a) all of the acreage of field corn in the county in which the insured has 100 percent interest at the time of planting or (b) all the acreage of field corn in the county which at the time of planting is operated by the insured as a share tenant and owned by one person, or (c) all of the acreage of field corn in the county which at the time of planting is owned by the insured and rented to one share tenant.



For the purpose of determining the land constituting an insurance unit, cash rented land or land rented for a fixed commodity rent shall be considered as being owned by the lessee. All or any part of such land which is designated on the county crop insurance map as "unclassified" shall not constitute an insurance unit or any part thereof. The adjuster should be certain that the entire acreage of field corn on the insurance unit is taken into consideration.

B. Preparation of Form 763

1. Heading. In the spaces provided or in other vacant space:

- a. Enter the crop name of the crop.
- b. Enter the correct name and address of the insured which should agree with that shown on the related crop insurance contract. If there is any discrepancy it shall be explained in Part III.
- c. Enter the state and county code and contract number.
- d. Enter the name and location of the farm on which the inspection is being made.
- e. Enter the coverage and rate area number(s) for the farm.
- f. Enter the crop year.

2. Part I. Fields or Tracts Containing Damaged Acreage

a. General

Data for each field or tract containing damaged acreage of corn shall be entered in Part I. The Director may require that data for all fields or tracts be entered in Part I in the cases of inspection during the growing season. Where there is insufficient space in Part I to record the necessary data, additional Forms 763 shall be prepared and all such farms shall be identified in the heading as provided above, and also marked "Continuation sheet - Page      of      pages." All fields or tracts, and the measurements of such fields or tracts, of the corn crop shall be accounted for in the space provided for a sketch map in Part III, unless provided otherwise by the Director.

b. Data for Columns A through J.

Column A: Enter the description, location or other identification of each field or tract containing damaged acreage of the insured corn crop. All fields or tracts of the insured corn crop on the farm shall be identified on Form 763 which is prepared at the time the loss is adjusted.

Column B: Enter the estimated total acreage (or the measured acreage) of corn in each such field or tract. The acreages entered at the time the loss is adjusted must be measured acreages.

Column C: Enter the acreage of corn which is released in each such field or tract. This acreage will not include harvested acreage.



(If no acreage is released enter a "zero.") Released acreage will include that: (1) used for silage and fodder, (2) used for feeding to livestock in the field (3) of mature unharvested corn that is to be harvested and (4) used for planting a substitute crop. Estimate this acreage as accurately as possible, except that the acreage shall be accurately determined (1) where all of the insured acreage on the insurance unit is being released or (2) where the boundaries of the acreage being released cannot be definitely determined at a later date. Where the acreage being released is only a part of the acreage in a field or tract and the acreage being released is not accurately determined, the location of the acreage released shall be sketched in the space provided in Part III.

The adjuster shall not release any acreage planted to corn during the early growing season until he determines that:

- (1) The corn has been destroyed or substantially destroyed. (The crop is not considered to be substantially destroyed unless it has been so badly damaged that farmers generally in the area where the farm is located and on whose farms similar damage occurred would not further care for the crop or harvest any part thereof); and
- (2) It is too late to replant to corn in the area. The question of when it is too late to replant shall be resolved by determining if producers generally in the area, particularly uninsured producers, are still planting or replanting. If this is the case and it is practicable for the insured to replant he shall be advised that unless the acreage is replanted to corn it will not be considered as insured acreage. The insured shall also be advised that no premium will be due and no loss will be payable on any acreage which is not insured acreage.

Column D: For each acreage released, enter a per acre appraisal of the estimated yield that would be realized if such acreage were harvested or remained for harvest. The appraisal of the yield per acre shall be made without regard to the minimum appraisal provisions. In releasing acreage the Corporation is relinquishing its opportunity to determine the actual yield. Therefore, care must be taken by the adjuster in making this appraisal, and, in releasing corn acreage before it is mature, he must assume that favorable growing conditions will prevail until harvest time. The appraised yield will be considered as the actual yield in computing the loss, if any. The adjuster shall determine whether any of the damage is due to causes not insured against and if so the extent of such damage shall be entered in Part III.

Where an appraisal of unharvested mature corn which is to be harvested is being made, a recognized method of sampling shall be used by the adjuster. The Director shall instruct adjusters in the method of sampling to be used and each adjuster should explain fully in Part III the method used in making each appraisal.

The adjuster shall advise the insured that on any acreage where the corn crop has been partially destroyed but not released, proper measures must be taken to protect the crop from further damage, and to care for and harvest it. The adjuster shall also advise the insured that if any insured acreage is put to another use without the consent of the Corporation, that acreage will be subject to an appraisal of production



at least equal to the amount of insurance coverage for such acreage.

Column E: For each acreage released, enter the applicable minimum appraisal per acre. In determining the minimum appraisal per acre each computation shall be rounded to the nearest tenth of a bushel or whole cent. This minimum appraisal shall be the applicable of the following:

(1) For any acreage released for the purpose of planting a substitute crop, the per acre minimum appraisal is the applicable of the following:

(a) Yield. 50% of the amount of the coverage per acre.

(b) Investment and Dollar Coverage. The bushel equivalent of 50% of the amount of coverage per acre.

(2) For any acreage released for any other use not covered by (1) above (excluding acreage of mature unharvested corn which is to be harvested, and any acreage used for ensilage or fodder providing the insured leaves a number of representative sample rows, because neither of such acreage have any minimum appraisal requirements the per acre minimum appraisal is the applicable of the following:

(a) Yield. 15% of the amount of the coverage per acre.

(b) Investment and Dollar Coverage. The bushel equivalent of 15% of the amount of coverage per acre.

Column F: Enter the primary insured cause of damage to the corn for each field or tract identified in Column A.

Column G: Enter the date of damage to the corn in each such field or tract.

Column H: Enter the actual or intended use of the acreage released in each field or tract. Example: "Substitute crop," followed by the name of the substitute crop, if known, "Fed to livestock in the field," "Used for silage," "to be harvested," etc.

Column I: Enter the name(s) of the person(s) other than the insured sharing in the corn crop for each field or tract. If the same person, other than the insured, shares in all such fields or tracts the name of such person need not be entered but once.

Column J: Enter the share in the crop for each person whose name appears in Column I.

Verify the insured's reported share(s) in the crop, as indicated on Form 8. If the share(s) reported by the insured at the time of inspection as his share(s) in the crop at the time of planting varies from his previous reports, explain such discrepancy in Part III.

### 3, Part II. Husked Corn

Part II of Form 763 is to be used only in those cases where there is harvested production on the insurance unit and shall include the shares of



all persons in the corn crop on the insurance unit (except any unmerchantable harvested production in case of yield insurance). Routine completion of Part II shall not be considered adequate to determine the quantity of corn produced. The reasonableness of the reported quantity harvested as related to the acreage of corn involved shall be considered. The stalks and other evidence of the quantity of production should be examined. Other inquiry or search should be made if the reported yield is materially less than the yield of other comparable farms in the area, or is materially less than the production on the insurance unit appears to have been on the basis of available evidence.

In order to be sure that all production is accounted for, the adjuster must examine all storage receipts, sales records, corn on hand and records of any quantities of the corn crop produced on the insurance unit which have been fed to livestock or otherwise used on the farm.

b. Completing Columns K through V of Item 1, and Item 2 through 7.

Item 1. Farm Stored Corn: The data for each bin or crib of corn produced in the 1948 crop year on the insurance unit shall be recorded in Item 1. All dimensions listed must be actual measurements and must be expressed in feet and tenths of feet. The measurement of corn must be inside bin or crib measurements. Data for rectangular or round bins or cribs may be recorded on the same Form 763.

(Where the gross bushels by weight were determined before the corn was stored in the bin or crib and records of this determination are available and acceptable to the adjuster, the manner in which such determinations was made shall be entered on one of the lines in Part II, and only Columns T, U, and V need be completed for this corn.)

Column K: Enter the bin or crib number, which shall be assigned by the adjuster if not already numbered. Following the bin or crib number, enter the word "shelled" or "ear" to indicate if the corn is shelled or ear corn.

Column L: Enter the length of the bin or crib. If it is round, enter the diameter.

Column M: Enter the width of the bin or crib. If it is round, no entry shall be made.

Column N: Enter the depth of the corn in the crib or bin. The corn must be level before the depth can be measured. If corn from the 1948 crop is stored with corn from a previous crop, only the depth of the corn from the 1948 crop shall be measured.

Column O: Enter the gross cubic feet of the corn which shall be computed by the following applicable method:

Rectangular bin(s) or crib(s) (inside measurements).

Multiple the length by the width by the depth of the corn

(Columns L x M x N).

Round to the nearest tenth of a foot after each computation.



Round bin(s) or crib(s) (inside measurements).

Multiply the square of the diameter by 0.7854 and multiply the result by the depth of the corn. (Columns L x L x 0.7854 x Column N). Round to the nearest tenth of a foot after each computation.

Column P: Enter the cubic feet of deduction for space occupied by chutes, vents, cross-ties, etc., if any, which have been included in the overall measurements of the corn. In determining this entry, computations shall be in accordance with the instructions set forth under Column O above except that outside measurements shall be used.

Column Q: Enter the results obtained by subtracting the quantity in Column P from the quantity in Column O. If the corn is unhusked or contained a considerable amount of husks: (1) Encircle the amount in Column Q, (2) Fill a container with a representative sample of unhusked corn, (3) Remove husks, (4) Obtain the percent that the Volume of clean shucked corn is of the corn before removing the husks. (If a box or a round container having the same diameter from the top to the bottom is used, the percentage may be obtained by the ratio of the depth of the husked corn to the depth of the unhusked corn,) and (5) Multiply the encircled amount in Column Q by the percent obtained in (4) above and enter the result beside or above the encircled amount.

Column R: For ear corn, enter the result obtained by multiplying the unencircled amount in Column Q by 0.4. For shelled corn, enter the result obtained by multiplying the amount shown in Column Q by 0.8. This computation shall be rounded to the nearest tenth of a bushel.

Column S: Enter the test weight of shelled corn or the moisture content of ear corn, whichever is applicable. Shelled corn shall be assumed to be 56 pounds test weight unless it is evident that the test weight is above or below 56 pounds, in which case the correct test weight shall be obtained. If the test weight is to be determined, representative samples shall be taken from each bin or crib and the test weight determined. These samples shall be properly designated by the adjuster to correspond with the respective bin or crib number(s).

Column T: Enter the result, rounded to the nearest tenth of a bushel, obtained by multiplying the entry in Column R by the percentage factor for the test weight or the moisture content, whichever is applicable, as shown in Column S. These percentage factors are shown in the tables below:

CORN TABLE OF MOISTURE CONTENT CORRECTION FACTORS TO CONVERT GROSS BUSHELS OF EAR CORN TO NET BUSHELS

| Moisture content<br>(percent) | Percentage<br>factor | Moisture content<br>(percent) | Percentage<br>factor |
|-------------------------------|----------------------|-------------------------------|----------------------|
| 15.5 or less                  | 103                  | 33.6 to 34.5                  | 74.5                 |
| 15.6 to 16.5                  | 101.5                | 24.6 to 25.5                  | 83                   |
| 16.6 to 17.5                  | 100                  | 25.6 to 26.5                  | 86.5                 |
| 17.6 to 18.5                  | 98.5                 | 26.6 to 27.5                  | 85                   |
| 18.6 to 19.5                  | 97                   | 27.6 to 28.5                  | 83.5                 |
| 19.6 to 20.5                  | 95.5                 | 28.6 to 29.5                  | 82                   |
| 20.6 to 21.5                  | 94                   | 29.6 to 30.5                  | 80.5                 |
| 21.6 to 22.5                  | 92.5                 | 30.6 to 31.5                  | 79                   |
| 22.6 to 23.5                  | 91                   | 31.6 to 32.5                  | 77.5                 |
| 23.6 to 24.5                  | 89.5                 | 32.6 to 33.5                  | 76                   |
|                               |                      | 34.6 to 35.5                  | 73                   |



CORN TABLE OF TEST WEIGHT CORRECTION FACTORS TO CONVERT GROSS BUSHELS  
OF SHELLED CORN TO NET BUSHELS

| Test Weight<br>(pounds) | Percentage<br>factor | Test weight<br>(pounds) | Percentage<br>factor |
|-------------------------|----------------------|-------------------------|----------------------|
| 60                      | 107                  | 50                      | 89                   |
| 59                      | 105                  | 49                      | 87                   |
| 58                      | 104                  | 48                      | 86                   |
| 57                      | 102                  | 47                      | 84                   |
| 56                      | 100                  | 46                      | 82                   |
| 55                      | 98                   | 45                      | 80                   |
| 54                      | 96                   | 44                      | 79                   |
| 53                      | 95                   | 43                      | 77                   |
| 52                      | 93                   | 42                      | 75                   |
| 51                      | 91                   | 41                      | 73                   |
|                         |                      | 40                      | 71                   |

Column U: Use this Column for shelled corn only. If there are husks, trash, or other foreign material in the shelled corn, enter the percentage of foreign material in the shelled corn which shall be determined on the basis of volume (not weight). In the case of ear corn this Column shall be left blank.

Column V: For ear corn the entry in Column T shall be entered in Column V. In the case of shelled corn multiply the entry in Column T by the entry in Column U, subtract the result thus obtained from the entry in Column T, and enter the remainder in Column V. The result of this computation shall be rounded, and the entry in Column V shall be expressed, to the nearest tenth of a bushel. If there is no entry in Column U, the entry in Column T shall be entered in Column V.

Item 2: Enter the name(s) and address(es) of the elevator(s), warehouse or person(s) with which any corn produced on the insurance is stored or to whom it has been sold. Following each name and address, enter in Column V the net bushels of corn stored or sold. This entry shall be expressed to the nearest tenth of a bushel.

Item 3: Enter data for all of the insured corn crop produced on the insurance unit which is sacked and stored either on or off the farm

(1). Enter in Item 3A the total number of sacks of corn.

(2) Enter in Item 3B the average net weight of corn per sack.

(3) Enter in Column V the total bushels of sacked corn, expressed to the nearest tenth of a bushel. This entry shall be determined as follows: Multiply the entry in Item 3A by the entry in Item 3B and divide the result by 56 for shelled corn or 70 for ear corn.

Item 4: Enter the number of bushels of corn harvested from the 1948 crop on the insurance unit which has been used for feed, or for any other purpose.



Item 5: Enter the number of bushels of corn sold and any other corn harvested from the 1948 crop on the insurance unit which is not otherwise reported in Items 1 to 4, inclusive. This entry shall be expressed to the nearest tenth of a bushel. Piled corn either on or off the farm should be weighed, if possible, the net bushels computed as outlined under Item 3, above, and the resulting quantity entered in Item 5. If it is not possible to weigh the piled corn, a sketch of each pile showing the proper dimensions, and a statement showing the method of computing the net bushels entered in this Item, shall be attached to Form 763.

Corn damaged or destroyed after harvesting shall be considered as production and entered in Item 5.

Item 6: Enter the sum of the entries in Items 1 to 5, inclusive. This entry shall be rounded to the nearest whole bushel. This entry must include the shares of all persons having an interest in the insured crop on the insurance unit (except any unmerchantable harvested production in the case of yield insurance).

Item 7: Enter the date upon which the harvesting of the corn from the insurance unit was completed. If a part of the crop was harvested a considerable time in advance of the rest of the crop, the date of the completion of both periods of harvest shall be entered. If part of the crop was harvested by machinery and part was handpicked or husked from the shock, enter and identify the date of completion for each operation.

Verification of Computations: After all of the entries and computations have been made as provided above, they shall be rechecked for accuracy and for completeness.

#### 4. Part III

##### a. General

Part III shall be prepared each time an inspection of the insurance unit is made. The director shall outline for the adjuster the information which the director thinks the Corporation will need in the final determination of the loss, if any, and instruct the adjuster to enter in Part III whatever of that information is desired, particularly with respect to appraisals of unharvested mature corn.

Also enter in Part III any causes of damage not included in Part I. and the dates thereof. When any damage is due to an uninsured cause, enter a full explanation and set forth the extent of such damage, including the number of acres damaged and the appraised reduction in production per acre due to such damage. A notation describing the condition of all the acreage of the insured crop which is not accounted for in Part I shall be included in Part III.

Where an inspection is being made during the growing season, the adjuster shall determine whether the number of acres of the crop in all fields or tracts on the farm approximates the acreage reported by the insured for the farm, as shown on Form 8. If, in his opinion, there is



a substantial difference between the two figures, an explanation of why such difference exists shall be entered in Part III.

Part III should be complete enough for a person not familiar with the case to understand it after reviewing Form 763.

- b. Date and Signature: In the space provided above Part III, the adjuster shall sign and date Form 763. The signature of the insured should also be obtained unless it is impracticable to do so.

- 5. Distribution: Copies of Form 763 shall be distributed in accordance with Section VI hereof.

C. Unmerchantable Corn Production - (Applicable to yeild insurance only.)

1. General

If the insured claims that a part or all of his harvested production is unmerchantable as corn due to causes insured against and the adjuster finds that the damage is due to causes insured against, the adjuster should then determine the value thereof. In determining the value of this production, the adjuster should consider its feeding value as well as the best bid obtainable locally for such production. If the value so determined represents 50 percent or more of the current local price, as determined by the adjuster, for No. 3 yellow shelled corn, this production shall be included as corn harvested on both Form 763 and in the entry for Item 1 of Form 867 - Corn, and none of the determinations set forth below are necessary.

If the value so determined is less than 50 percent of the current local price for No. 3 yellow shelled corn, this production will be deemed to be unmerchantable as corn and it shall not be included on Form 763 as corn harvested or in the entry for Item 1 of Form 867-Corn. Instead, this production will be entered on Form 666-A, and the appraised production of corn for such unmerchantable production, determined as outlined below, shall be entered in Item 10 of Form 867-Corn.

2. Appraisal and Completing Form 666-A

The appraised production of corn for the unmerchantable production shall be the sum of the following:

- a. The number of bushels obtained by dividing the total value of the unmerchantable production by the local price of No. 3 yellow shelled corn per bushel, determined by the adjuster as set forth above, plus
- b. One-half of the smaller of (a) the number of bushels of unmerchantable production harvested, or (b) the insured production for the insurance unit minus the sum of the actual production and all appraised production for the insurance unit, excluding the appraisal for unmerchantable production.

The effect of this appraisal is to indemnify the insured for the amount that the unmerchantable production lacks of having a value equal to 50 percent of the current local value of a number of bushels of No. 3 yellow shelled corn equal to the smaller of (1) the unmerchantable production, or (2) the insured production for the insurance unit minus the sum of the actual production and all appraised production for the insurance unit, excluding the appraisal for unmerchantable production.



When unmerchantable production is claimed by the insured and the value of such production is determined to be less than 50 percent of the current local price for No. 3 yellow shelled corn, Form FCI-666-A, as shown below, shall be prepared in duplicate and the copies thereof attached to the state and county office copies of the Form 763. The quantity in Item 10 of Form FCI-666-A shall be entered in Item 10 on Form 367-Corn as the appraisal for unmerchantable production.

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Form FCI-666-A (Corn) (Applicable for yield insurance only)

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UNITED STATES DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation

APPRAISAL FOR UNMERCHANTABLE PRODUCTION

- (1) Unmerchantable production harvested.....Bu. \_\_\_\_\_
- (2) Value per bushel of unmerchantable production..... \$ \_\_\_\_\_
- (3) Total value of unmerchantable production (1) x (2)....\$ \_\_\_\_\_
- (4) Insured production.....Bu. \_\_\_\_\_
- (5) Total actual production (excluding (1) above), and all  
appraised production.....Bu. \_\_\_\_\_
- (6) Insured production minus item (5).....Bu. \_\_\_\_\_
- (7) Local price per bushel for No. 3 yellow shelled corn.  $\frac{\text{¢}}{\text{bu}}$  \_\_\_\_\_
- (8) Bushels insured corn equivalent to value of unmer-  
chantable production (3)  $\div$  (7).....Bu. \_\_\_\_\_
- (9) 1/2 of the smaller of item (1) or item (6).....Bu. \_\_\_\_\_
- (10) Appraisal of unmerchantable production (8)  $\div$  (9).....Bu. \_\_\_\_\_

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SECTION IV. ADJUSTMENT OF LOSS CLAIMS

A. General

1. The insured shall:

- a. Use Form FCI-867-Corn, "Statement in Proof of Loss For Corn" (herein called "Form 367" in submitting a claim for loss.
- b. Submit claim for loss within 60 days after the time of loss. (In case all of the acreage on the insurance unit is destroyed or substantially destroyed and is released prior to harvest, the time of loss is the date of the damage resulting in the release. In case the harvesting is completed prior to the end of the insurance period, the time of loss is the date of completion of harvesting. In case a claim for indemnity is submitted on the basis of an appraisal of the production of unharvested mature corn, the time of loss is the date the claim for



indemnity is submitted on the basis of an appraisal of the production of unharvested mature corn, the time of loss is the date the claim for indemnity is signed. In case harvesting is not completed prior to the end of the insurance period and no claim for indemnity is submitted on the basis of an appraisal of the production of unharvested mature corn, the end of the insurance period is the time of loss.)

- c. Establish that any loss for which claim is made has been directly caused by one or more of the hazards insured against by the contract, during the term hereof, and that the loss has not arisen from or been caused by, either directly or indirectly, any of the hazards not insured against.

2. The adjuster:

- a. Shall not approve a Form 867 until he has (1) inspected the entire insurance unit, (2) determined the acreage planted to corn thereon, (3) determined the production therefrom, (4) made any necessary appraisals of production per acre and (5) in the case of investment insurance, determined the value of all such production.
- b. Shall not approve a Form 867 covering an insurance unit on which any acreage is released (except as provided in (c) below) until he determines the use made of the land.
- c. Shall not approve a Form 867 as long as there is a possibility of harvesting any production from the insurance unit, except where the loss is settled on the basis of mature unharvested corn.
- d. Shall advise the insured that any claim for indemnity submitted in accordance with the Regulations and applicable procedures will be paid by the issuance of a check by the Corporation payable to and mailed to the person(s) entitled to such payment under the Regulations.

B. Method of Preparing Form 867

- 1. A separate Form 867 shall be prepared for each insurance unit on which a loss is claimed.

Where the insured fails to keep the production for each insurance unit separate and fails to keep acceptable records of the production for each insurance unit and all the acreage from which production is commingled is insured, the case shall be handled in accordance with subsection D-4 of this Section. Where the insured fails to establish and maintain separate records of production for "unclassified" acreage and for one or more insurance units or parts thereof, any production from "unclassified" acreage which is commingled with the production from the insured acreage may be considered to have been produced on the insurance unit and the loss adjusted in the usual manner. If any production from a farm not covered by the contract is commingled with the production from insured acreage, the loss may be adjusted in the same manner as if the uninsured farm had been designated "unclassified".

In the cases set forth in the above paragraph, if the adjuster feels that the insurance with respect to the insurance unit should be voided, he shall attach a statement in triplicate setting forth the facts which he feels justify this action and his recommendation. In such case if the contract is voided the insured may still be required to pay the premium.



2. The insured and the adjuster certify only to the basic data appearing on Form 867, which include the measured acreages, the insured interest, the total harvested production, and the per acre appraisals of production, and in the case of investment insurance the actual or appraised value of the production. Therefore, the adjuster shall complete Form 867 only to the extent provided hereinafter.
3. Where it appears that there will be no loss on the insurance unit or where the insured requests advice as to the approximate amount of indemnity he may expect to receive, the adjuster should perform the necessary computations on a scratch pad, using the instructions on the reverse side of Form 867 and advise the insured accordingly. If there is no loss, the adjuster should explain to the insured why there is no loss.
4. In all cases the insured shall be advised that the required computations will be made by the Corporation and will be subject to any applicable minimum appraisals and also that his copy of Form 867 will be mailed to him after the audit is completed.

C. Preparation of Form 867 for Usual Cases.

1. General

The instructions set forth in this subsection apply in all cases where (a) the same insurance coverage per acre, and the same premium rate, are applicable to the entire insurance unit, and (b) the insured has the same share in all the acreage of corn on the insurance unit, and (c) there has been no transfer of interest in the corn crop on the insurance unit.

(NOTE: Additional amounts of insurance for following specified practices on only a part of the acreage in Lafayette and Sank Counties, Wisconsin are not considered in this connection as having different insurance coverages per acre. In all other cases Form 867 shall be prepared in accordance with subsection D of this Section.

2. Steps in Preparing and Completing Form 867

Form 867 is a Rediform consisting of an original and three copies, and shall be prepared as follows:

a. Heading

(1) Enter the crop year (1948).

(2) Enter the correct name of the insured and his address. The name shall agree with that shown on the contract unless such name is incorrect. However, if the original insured died, etc., after the crop was planted, the name of his legal representative shall be entered. Where the name entered is that of a legal entity and the contract was not executed in such capacity, a statement of facts, in triplicate, shall be attached.

If the insured has disappeared or refuses to sign the Form 867 and a collateral assignment is outstanding, the name and address of the assignee may be entered in the spaces provided in the heading for the name and address of the insured. The name of the assignee shall be followed by the word "assignee." In such cases a statement of facts, in triplicate, shall be attached.



- (3) Enter the kind of insurance.
- (4) Enter the insurance unit designation (number).
- (5) Enter the state and county code and contract number.
- (6) Enter the contract number (s) of other corn contracts on the same land.

b. Boxes

Box A: Enter the insured acreage of corn on the insurance unit as shown on the application or on the acreage report, if one has been submitted.

Box B: Enter the total measured acreage of corn on the insurance unit (excluding, as determined by the adjuster, any acreage on which the crop is destroyed or substantially destroyed at a time that it could be replanted to corn and such acreage is not replanted, and any acreage planted to corn too late to expect to produce a normal crop.) This figure must agree with the entry in item 12, Column A. This acreage shall be accurately determined by the adjuster unless acceptable records of measurement are on file in the county office. All possible use shall be made of permanent field acreages established under other agricultural programs and on file in the county office. Measuring equipment shall be checked for accuracy and corrected, where necessary prior to its use.

Where applicable the adjuster shall advise the insured of the following:

- (1) If the measured acreage is less than the insured acreage the loss, if any, will be settled on the basis of the planted acreage and the premium adjusted accordingly;
- (2) If the measured acreage exceeds the insured acreage, the loss which would otherwise be determined will be reduced proportionately;
- (3) Where different insurance coverages per acre or premium rates are established for parts of the insurance unit, the Corporation may determine the loss on the planted acreage on the basis of the ratio of the premium computed for the insured acreage to the premium computed for the measured acreage.

Box C: Enter the coverage per acre for the insurance unit as shown on the actuarial table for the county. Delete the inapplicable wording. NOTE: For Lafayette County, Wisconsin (dollar coverage) and Sauk County, Wisconsin (applicable only in the case of investment insurance) certain approved cultural practices carried out by the insured increases his coverage per acre up to a specific maximum. Since only two counties are involved it is believed that this material can be inserted on the Form 867 above Boxes B and C; hence no separate space(s) or Box(s) are provided on the Form 867 for this purpose

Above Box B: Approved Practices.

For these two counties, enter the crop insurance practice number (as shown in the "Table of County Average Coverages and County Average



Premium Rates") of each approved practice carried out on corn acreage. Specifications set forth on this table must have been met. Any acreage qualifying under practice Number 1 and practice No. 2 shall be reported under only one of these practices. Use practice No. 1 for turning under a green manure crop, practice No. 2 for applying a mixed fertilizer and practice No. 3 for corn planted on the contour, contour strip cropping or strip cropping. Following each practice number enter a dash (-) followed by the number of acres on which that practice was carried out as shown on Form 863, e.g., practice No. 1 which is applicable to 12 acres of corn will be shown as 1-12 above Box B., Etc.

Above Box C: Additional coverage. (Applicable only when an entry for approved practices has been made above Box B). Enter the amount of additional coverage per acre for each practice shown above Box B. For practice No. 2 this amount cannot exceed the maximum amount of additional coverage as shown on the actuarial table for the county.

Box D: Enter the insured interest in the corn crop on the insurance unit, which shall be the smaller of (1) the interest in the crop as shown on the application or on the acreage report, or (2) the actual interest in the crop at the beginning of harvest or time of loss, whichever occurs first. This entry shall be shown as a percentage, rounded to the nearest tenth of a percent. Where the insured interest entered in Box D is less than the reported interest shown on the application or on the acreage report, a statement of facts explaining the discrepancy shall be prepared, in triplicate, dated and signed by the adjuster and attached. In case of a transfer of interest, refer to subsection D, 3, of this Section.

Box E: Yield and Dollar Coverage. Enter the 1947 loan rate. Delete the inapplicable words.

Investment. Enter a dash (-).

Box F: Enter the coverage and rate area number(s) in which the insurance unit is located, as shown on the crop insurance map for the county. Where the same coverage per acre applies to all of the acreage of corn on an insurance unit but different rates are applicable to parts of this acreage, enter above Box F the acreage in each coverage and rate area followed by a dash and the area number, For example 100-1; 60-2.

c. Part I: Production for the Insurance Unit.

(1) General

The following important factors shall be kept in mind in preparing Part I:

- (a) All acreage figures shall be shown to the nearest tenth of an acre. All per acre appraisals shall be shown to the nearest tenth of a bushel. In making the computation for determining a minimum appraisal as outlined herein, round to the nearest tenth of a bushel after each computation. All production figures representing production from a specific acreage shall be expressed to the nearest tenth of a bushel.

Where the acreage for a particular item is composed of two or more acreages for which different per acre appraisals have been



made, the actual per acre appraisal for that item shall be determined on a weighted average basis as follows: (1) Multiply each acreage by the appraisal applicable to it and total the results thus obtained, and (2) total the acreages and divide this total into the total obtained in (1) above. Weighted average appraisals may apply to Items 4 through 9 and either 9 or 10 on Form 867.

- (b) The sum of the entries in Column A (item 12) must equal the measured acreage in Box B. Where an appraisal is made for an acreage already entered in Column A, such acreage figure shall be entered to the left of Column A.
- (c) In making an appraisal for any acreage released during the growing season, the adjuster shall estimate the yield per acre that would have been realized under the most favorable growing conditions had the insured corn crop on such acreage remained for harvest.
- (d) The total harvested production to be entered in Item 1, Column C must include the entire production of corn harvested from the insurance unit for all persons having an interest in the crop as landlord, owner, or tenant (except any unmerchantable production in case of yield insurance).
- (e) Investment insurance - Value(s) per bushel. The adjuster shall determine and enter on the line provided above Item 1 the actual or appraised value(s) per bushel of all corn produced. If all production does not have the same value per bushel, identify the applicable Items with each value per bushel. For example, Item 1, 2, and 3, - \$1.50; Items 4, 5, and 7 - \$1.69. The adjuster shall determine the cash value of the corn on the basis of the quality of the corn harvested and the highest of the following: (1) the local market price of No. 3 yellow shelled corn in effect on the day of his visit to the farm for the purpose of determining the loss, or (2) the Commodity Credit Corporation (1948) loan rate, or (3) the average price per bushel received for any corn from the 1948 crop sold by the insured.
- (f) Part I Columns D and E of the "Inspection Report" Form 763 is the source of most of the data as to the appraised production per acre or minimum appraisals for use in Column B on the Form 867.

(2) Completing Items and Columns

Item 1. Column A: Enter the measured acreage which was harvested, including any acreage from which unmerchantable production was harvested.

Column C: Enter the total production harvested from the acreage shown in Column A. This entry shall include the entire production harvested from the insurance unit (except unmerchantable corn in the case of yield insurance) for all persons who share in the crop as producers.



Item 2. To the left of Column A and in Column B. Enter, to the left of Column A, the total harvested acreage on which some of the production is left in the field after harvest and in Column B enter the appraisal per acre of such production left in the field.

Item 3. Columns A and B. Enter in Column A the measured acreage of unharvested mature corn on the insurance unit which is to be harvested. (Source: Part I of Form 763.) Enter in Column B the appraised yield per acre for the acreage shown in Column A.

Item 4. Columns A and B: Enter in Column A the measured acreage on the insurance unit which was released by the Corporation and planted to a substitute crop for harvest in 1948. (Source: Part I of Form 763.) Enter in Column B the appraised yield per acre for the acreage shown in Column A, which shall be the larger of:

- (a) The estimated yield per acre as shown in Column D of Form 763 for that acreage, or (b) the minimum appraisal per acre as shown in Column E of Form 763 for that acreage.

Item 5: This item is to be used for all acreage and production of corn which is not to be harvested as follows:

- (a) Any acreage released during the growing season and not to be planted to a substitute crop.
- (b) Any acreage unharvested as of Dec. 10, 1948 if such acreage is not to be harvested. (If it is to be harvested the acreage and appraisal would be included in Item 3.)
- (c) Any abandoned acreage not covered in Items 3 through 8.

Columns A and B. Enter in Column A the total of the measured acreages under (a), (b), or (c) above. Enter in Column B the appraised yield per acre for the acreage shown in Column A, which shall be the larger of: (1) The estimated yield per acre as shown in Column D of form 763 for that acreage, or; (2) The minimum appraisal per acre as shown in Column E of Form 763 for that acreage.

Item 6. Columns A and B: Enter in Column A the measured acreage on the insurance unit which was released by the Corporation and fed to livestock in the field (Source: Part I of Form 763). Enter in Column B the appraised yield per acre for the acreage shown in Column A, which shall be the larger of: (1) The estimated yield per acre as shown in Column D of Form 763 for that acreage or; (2) The minimum appraisal per acre as shown in Column E of Form 763 for that acreage.

Item 7. Columns A and B: Enter in Column A the measured acreage on the insurance unit which was used for ensilage or fodder and in Column B enter the appraised yield per acre for the acreage shown in Column A. This appraisal is shown in Column D of Form 763 for that acreage.



Item 8. Columns A and B: Enter in Column A the total measured acreage on the insurance unit which was put to another use without the consent of the Corporation and in Column B enter the appraised yield per acre for the acreage shown in Column A, which shall be the estimated yield per acre that would have been realized had the crop on such acreage remained for harvest, but not less than the coverage per acre.

Item 9. Columns A and B: Enter in Column A (or to the left thereof if the acreage has previously been entered in Column A) the total measured acreage on the insurance unit on which production has been reduced solely because of damage due to causes not insured against. To the left of Column A enter the uninsured cause of damage for which the adjustment is made, and in Column B enter the appraised number of bushels per acre by which production on the acreage shown in Column A, or to the left thereof, has been reduced solely because of damage due to causes not insured against.

This appraisal shall not be less than (1) in the case of yield insurance the coverage per acre minus the yield per acre of corn harvested from such acreage, or (2) in the case of investment or dollar coverage insurance the number of bushels determined by dividing the amount of coverage per acre, as shown in Box C, by the value per bushel applicable to Item 9, minus the yield per acre of corn harvested from such acreage. The value per bushel for investment will be found on the line above Item 1, and for dollar coverage in Box E.

Item 10. Columns A and B. This item shall be used where there has been a reduction in production due to causes insured against and also to causes that are not insured against.

(1) To the left of Column A: Enter the total measured acreage on the insurance unit on which production has been reduced because of damage due to causes not insured against and also causes insured against. Also, in the same space enter a description of the uninsured causes of damage for which the adjustment to production is being made for such acreage. Column A: Enter a dash (-) since this acreage has been accounted for in the Items above.

(2) Column B: Enter in Column B the appraisal per acre for the acreage shown to the left of Column A. Such appraisal shall be the estimated number of bushels per acre by which production has been reduced due to causes not insured against. The causes of losses not insured against include, but are not limited to, the following:

(a) Loss caused by failure properly to prepare the land for planting, or properly to plant, care for, or harvest the insured crop.

(b) Loss caused by the use of defective seed or unadapted seed or by over planting, or planting on land of poorer average quality for the production of corn than the average quality of the land considered in establishing the coverage for the insurance unit.



- (c) Loss caused by planting under conditions of immediate hazard, or by planting another crop (except a winter cover crop) in the growing corn crop.
- (d) Loss caused by failure to follow established good farming practices, or by following different fertilizer or farming practices than those considered in establishing the coverage for the insurance unit.
- (e) Loss due to breakdown of machinery or equipment, or loss caused by the neglect or malfeasance of the insured or of any person in his household or employment or connected with the farm as tenant, or wage hand.
- (f) Loss caused by theft, or by domestic animals, (including poultry), or by inability to obtain labor, fertilizer, machinery, repairs, or insect poisons
- (g) Loss caused from the use of chemicals for the control of weeds.
- (h) Any damage to the insured corn crop which occurs after the end of the insurance period (the time of harvest or December 10, 1948, whichever is earlier) is likewise not insured against and must be handled by the adjuster as an uninsured cause of damage.
- (i) Any other damage due to causes not insured against.

Item 10 or 11. These Items may be used in the cases mentioned and explained under (1) or (2) below.

- (1) For yield insurance where there is harvested production which is unmerchantable as determined in accordance with Section III, C, hereof, enter to the left of Column A the statement "unmerchantable harvested corn."

Column A and B. Enter a dash (-).

Column C. Enter the appraisal for unmerchantable production (Source Item 10 of Form 666-A).

- (2) For dollar coverage where there is damaged corn that is not eligible for or that does not meet 1947 loan requirements enter to the left of Column A, the statement "corn not meeting loan requirements," with the price per bushel used in valuing this damaged corn.

Column A and C. Enter in Column A the total acreage from which corn not meeting 1947 loan requirements has been harvested and in Column C the total production of this corn. No appraisal per acre is required to be entered in Column B. (In the computation for this entry the total production in Column C will be multiplied by the price per bushel (written in) and the total value thereof will be shown in Column D.



Item 12. Columns A and B. Enter the totals for the insurance unit.

All Items. Columns C and D. The entries in these columns where applicable will be completed at the time of the audit of the Form 867.

d. Part II. Computation of Loss

Make no entries in Part II..

e. Part III. For Branch Office Use Only

Make no entries in Part III.

f. Part IV. Causes of Damage Insured Against

No uninsured cause of damage shall be entered in Part IV. Each cause of damage shall be specifically stated, as provided below, and shall be entered on a separate line, unless there are more than three such causes.

Items 21, 22, and 23: Enter the primary, secondary, and other contributing insured causes of damage to the crop, together with the approximate date each cause of damage occurred and the estimated percent contribution of each such cause to the total loss on the insurance unit due to causes insured against. The entries in the column headed "estimated percent contribution" should total 100 percent. The various insured causes of damage, which shall be used as a guide for uniformity, are listed below:

|                                 |                           |
|---------------------------------|---------------------------|
| Drought                         | Blowout                   |
| Hail                            | Cold weather              |
| Fire                            | Crusted soil (including   |
| Wildlife (animals and birds)    | packed soil due to heavy  |
| Weeds and grasses               | rains)                    |
| Flood (overflow or backwater)   | Smut                      |
| Standing surface water (seepage | Plant diseases (excluding |
| and delayed run-off)            | smut)                     |
| Excessive moisture (excluding   | Corn borer                |
| standing surface water)         | Corn root worm            |
| Frost, freeze or snow           | Chinch bug                |
| Hot winds (including ex-        | Cut worm                  |
| cessive heat)                   | Insects (excluding corn   |
| Windstorm                       | borer, corn root worm,    |
|                                 | chinch bug and cut worm)  |

If any part of the loss is due to an act of a person(s), the adjuster shall prepare a statement of facts, in triplicate, setting forth the name of the person(s), if possible, and the amount of loss caused by such person(s). This statement shall be dated and signed by the adjuster and attached to Form 867.



g. Part V. Certification

Item 24: By signing Form 867 the insured agrees to the substitution of the Corporation as his attorney to exercise right of recovery against any person(s) for damage to the crop to the extent that payment for loss resulting from such damage is made to the insured by the Corporation. If applicable, the insured shall be advised of this fact and that he is not to make any settlement with, or execute a release to, such person(s).

Enter in the space provided either "yes" or "no" to the question whether a collateral assignment is outstanding. If a Form FCI-20, "Collateral Assignment," approved by the Corporation, is on file in the county office, "no" shall not be entered until the adjuster determines that the assignee has released the assignment in writing.

Where "yes" is entered, and the insured states that he wants the assignee to be paid separately to the extent of the amount of the assignment, a statement to this effect, signed by the insured, must accompany the Form 867. If the statement provides for the issuance of a separate check to the insured, and a separate check to the assignee for an amount less than that shown on the assignment, it must also be signed by the assignee. If no such statement is attached, a joint check will be issued.

Wherever possible, the adjuster shall review Form 867 and determine that all necessary entries have been made thereon before it is signed by the insured. After the form is signed by the insured, no person, unless so directed by the insured, has authority to change or enter thereon any basic data.

The insured shall sign and enter the date in the spaces provided in Item 24. Before signing, he should be cautioned that his signature must agree with the name in the heading of Form 867 and where applicable, with his signature on the contract. The signature must actually be affixed by the insured (or other eligible claimant) whose name appears in the heading of Form 867, or by his authorized representative.

Item 25: The adjuster shall not approve the Form 867 until all basic data have been entered thereon and until it has been signed by the insured.

If the signature is affixed in a representative capacity, the adjuster must determine that a power of attorney or other acceptable evidence is on file in the courthouse or the county office, authorizing the person to sign in the capacity in which he signs. If, after the insured has signed the form, the adjuster can certify to the statements in Item 25, he shall sign and date the form in the spaces provided.

Item 26: This item is for the use of the Director.



h. Boxes Designated "For Branch Office Use Only"

The adjuster shall make no entries in these boxes, which will be used by the Corporation in notifying state and county offices of changes in the premium for the contract in each case where the measured acreage shown on Form 867 is less than the insured acreage.

(1) Premium Previously Determined

In this box will be entered the total premium for the contract either from the application or the acreage report, or where applicable, from the last Form 867 prepared for the contract on which a change in the premium is computed.

(2) Net Cash Premium

The cash premium which reflects any change in the premium as computed from Form 867 will be entered in this box.

D. Preparation of Form 867 for Unusual Cases

1. Where the insured has different shares in parts of the corn crop on the insurance unit.

A separate Form 867 shall be prepared for each acreage of corn on the insurance unit on which the insured has a different share. (For example: If the insured has 100% interest in 80 acres of corn and 50% interest in 120 acres of corn on the same insurance unit, one Form 867 shall be prepared for the 80 acres and another Form 867 shall be prepared for the 120 acres.) The word "Supplemental" shall be entered immediately above the title on each of these forms. After the "Supplemental" forms have been prepared as provided below, the entries thereon shall be summarized and entered on a Form 867 which shall be identified by entering the "Master" immediately above the title. These "Supplemental" forms and the "Master" form shall be prepared as follows:

a. "Supplemental" forms

(1) Heading

Complete the heading in the usual manner (See subsection C of this Section.)

(2) Boxes

Boxes A and B:

Enter the insured acreage and the measured acreage for the part of the insurance unit covered by the "Supplemental" form.

Boxes C, E, and F: Complete these Boxes in the usual manner for the acreage covered by the "Supplemental" form.

Box D: Enter the insured interest in the acreage covered by the "Supplemental" form, which shall be entered in accordance with the applicable instructions for Box D in subsection C of this Section.

(3) Enter all the data applicable to the acreage covered by the "Supplemental" form. These data shall be entered in accordance with the applicable instructions in subsection C of this Section.



(4) No other entries shall be made on the "Supplemental" forms.

b. "Master" form

(1) Heading

Complete the heading in the usual manner (See subsection C of this Section.)

(2) Boxes

Boxes A and B: To obtain the entry for each of these Boxes for the "Master" form, add the entries appearing on the "Supplemental" forms for that Box and enter the sum thereof on the "Master" form.

Boxes C, E, and F: Complete these Boxes in the usual manner.

Box D: Enter the word "Varying."

(3) Part I

To obtain each of these Items for the "Master" form, add the entries appearing on the "Supplemental" forms for that Item and enter the sum thereof on the "Master" form, except that no entries shall be made in Column B.

(4) Complete the "Master" form in accordance with the instructions in subsection C of this Section. It will not be necessary for each "Supplemental" form to be signed by the insured.

2. Where different coverages have been established for parts of the insurance unit.

(Note: Additional amounts of insurance for following specified practices on only a part of the acreage in Lafayette and Sauk Counties, Wisconsin are not considered in this connection as having different insurance coverages per acre.)

A separate Form 867 shall be prepared for the acreage of corn on each part of the insurance unit for which a different coverage per acre has been established. (For example: If a \$15.00 coverage has been established for one tract and a \$8.00 coverage for another tract on the same insurance unit and there is an acreage of corn on each of the tracts, one Form 867 shall be prepared for the acreage on the tract with the \$15.00 coverage and another Form 867 shall be prepared for the acreage on the tract with the \$8.00 coverage. However, if the insured has different shares in parts of the corn acreage on either tract, a separate Form 867 shall be prepared for each acreage of the insured crop in which the insured has a different share rather than one Form 867 for the tract. The word "Supplemental" shall be written immediately above the title on each of these forms. After the "Supplemental" forms have been prepared as provided below, the entries thereon shall be summarized and entered on a Form 867 which shall be identified by entering the word "Master" immediately above the title. These "Supplemental" forms and the "Master" form shall be prepared as follows:



a. "Supplemental" forms

(1) Heading

Complete the heading in the usual manner (see subsection C of this Section)

(2) Boxes

Boxes A and B: Enter the insured acreage and planted acreage for the part of the insurance unit covered by the "Supplemental" form.

Box C: Enter the coverage per acre applicable to the part of the insurance unit covered by the "Supplemental" form.

Box D: Complete this Box in the usual manner, except where paragraph 1 of this subsection D is applicable.

Boxes E and F: Complete these Boxes in the usual manner.

(3) Part I

Enter all the data applicable to the acreage covered by the "Supplemental" form. These data shall be entered in accordance with the applicable instructions in subsection C of this Section.

(4) No other entries shall be made on the "Supplemental" Forms.

b. "Master" form

(1) Heading

Complete the heading in the usual manner (see subsection C of this Section.)

(2) Boxes

Boxes A and B: To obtain the entry for each of these Boxes for the "Master" form, add the entries appearing on the "Supplemental" forms for that Box and enter the sum thereof on the "Master" form.

Box C: Enter the word "Varying" unless the "Supplemental" forms were prepared solely because of different coverages per acre in which case complete this Box in the usual manner and enter the notation "Varying coverage rates in the heading of the "Master" form.

Box D: Complete this Box in the usual manner, except where paragraph 1 of this subsection D is applicable.

Boxes E and F: No entries shall be made in these boxes.

(3) Part I

To obtain each of these Items for the "Master" form, add the entries appearing on the "Supplemental" forms for that Item and enter the sum thereof on the "Master" form, except that no entries shall be made in Column B.



- (4) Complete the "Master" form in accordance with the instructions in subsection C of this Section. It will not be necessary for each "Supplemental" form to be signed by the insured.

3. Where there has been a transfer of interest in the corn crop on the insurance unit.

The Regulations provide that in the event of a transfer of interest, the Corporation shall not be liable for a greater indemnity than would have been paid had the transfer not taken place.

a. Transfer of all or a part of the insured interest in all of the insured acreage on the insurance unit.

Prepare Form 867 for the transferee and also for the transferor, where applicable, in the usual manner, except that the name of the insured and the insured interest (Box D) shall be determined on the basis of the insured interest of the original insured and the information shown on Form FCI-21, "Record of Transfer."

b. Transfer of all the insured interest in a part of the insured acreage on the insurance unit.

- (1) If neither paragraph 1 nor paragraph 2 of this subsection D applies and only one transfer has been made:

- (a) Draw a vertical line through the center of Columns A and B.

- (b) To the left of the vertical line enter the data for the entire insurance unit.

- (c) To the right of the vertical line enter the data for one of the following: (1) if the transferee is submitting the claim, enter the data for the acreage transferred, or (2) if the transferor is submitting the claim, enter the data for the acreage not transferred.

- (d) Otherwise prepare the Form 867 in the usual manner.

- (2) If neither paragraph 1 nor paragraph 2 of this subsection applies and two or more transfers have been made:

- (a) Prepare a Form 867 for each individual (Transferor and Transferee) who has an insured interest under the contract at the time of loss. These forms shall be prepared in the usual manner except that the words "Transfer of Interest - data for a part of the insurance unit," shall be entered above the title.

- (b) Prepare a Form 867 covering the entire insurance unit. The words "Transfer of Interest - data for entire insurance unit" shall be entered above the title of the form. It should be prepared as if no transfer of interest had taken place and should be completed only through Part I.



- (c) All Forms 867 prepared for the parts of the insurance unit as well as the one prepared for the entire insurance unit shall be submitted together to the Director.
- c. Where there is a transfer of part of the insured interest in a part of the insured acreage on the insurance unit, or where there are two or more transfers or there is only one transfer but paragraph 1 or paragraph 2 of this subsection applies to the original insured:
- (1) Prepare a Form 867 for:
    - (a) The insured acreage on the insurance unit for each individual transferor or transferee (and, where applicable, each acreage of the insured corn crop on the insurance unit on which each individual has a different share or for which a different coverage per acre has been established.)
    - (b) If more than one Form 867 is prepared for the same insured, a "Master" Form 867 shall be prepared consolidating such data.
    - (c) The entire insurance unit as if no transfer had taken place.
  - (2) Prepare these Forms 867 in accordance with the instructions in paragraph 3, b, (2), above.
4. Where the insured fails to keep production for each insurance unit separate and fails to keep acceptable records of production for each insurance unit and all the acreage from which production is commingled is insured.
- a. Prepare Form(s) 867 for each insurance unit in accordance with subsection C of this Section or paragraph 1, 2, or 3 of this subsection, whichever is applicable, except as follows:
    - (1) In addition to any identification of the form as required above, enter the words "Part of a combination" immediately above the title on each of these forms.
    - (2) Enter the word "Commingled" in Item 1, Column C, on each of these forms. Enter the word "Commingled" in Item 10, Column C, for unmerchantable harvested production (in the case of yield insurance) which is commingled.
  - b. Prepare a Form 867 consolidating the data for all of the insurance units in accordance with paragraph 1, 2, or 3 of this subsection, whichever is applicable, except as follows:
    - (1) Enter the words "Master - Combination" immediately above the title of this form.
    - (2) The insurance unit designation of all farms involved shall be entered in the space provided.
    - (3) Delete the word "Maximum" over Box A.



- (4) Enter in Box A the sum of the insured acreages for all of the insurance units involved. (The insured acreage for each insurance unit is the smaller of the entry in Box A and the entry in Box B on the form prepared for the insurance unit.)
- (5) Enter in Item 1, Column C, all of the commingled harvested production.
- (6) In the case of unmerchantable harvested corn, enter in Item 10, Column C, the appraisal for all of the commingled unmerchantable harvested production (applicable only for yield insurance).

#### 5. Other Unusual Cases

If a case arises which because of some special circumstance is meritorious but which is not specifically covered by this procedure or if the application of this procedure results in an undue hardship on the insured, the case should be submitted in accordance with General Procedure 4.

#### E. Cases Where Insured and Adjuster Cannot Agree

If the insured and the adjuster cannot agree on the settlement of a loss claim the case shall be referred to the supervisor. If the insured and the supervisor cannot agree, two Forms 867 shall be prepared, one showing the data submitted by the insured and signed only by him, and the other showing the data determined by the supervisor and signed only by him. The supervisor shall submit both forms to the Director in accordance with General Procedure 4. Every effort should be made to handle these cases as promptly and speedily as possible.

#### F. Transmitting Forms 867 to the Director

The adjuster shall forward daily to the director all copies of all completed Forms 867. All copies of any statement(s) of facts prepared as provided in this procedure shall be attached to the related Form 867 when it is forwarded to the director.

### SECTION V. DELAYED FORM(S) 8 AND 867 AND CORRECTED 867

#### A. Corrected Form(s) 867

In cases where a Form 867 has been transmitted to the director, and it is necessary to make a material change in the data appearing on such form, a corrected Form 867 shall be prepared and submitted to the director. However, any corrected claims, amounting to less than \$5.00 additional indemnity shall not be submitted as such claim will not be approved. The adjuster shall attach a memorandum in triplicate to the corrected Form 867 fully explaining the reason(s) for such correction(s). The corrected Form 867 shall be plainly marked "Corrected" in the heading thereof.

It will not be necessary to prepare a corrected Form 867 if the amount of indemnity originally determined is correct and settlement has been made on a lesser amount and the insured is requesting the balance.

#### B. Delayed Notice of Loss (Form 8)

The Regulations contain a provision requiring the insured to submit a notice of loss to the county office immediately after the completion of harvesting if



a loss  
has been sustained. (This notice is not applicable if the loss has been settled on the basis of an appraisal of mature unharvested corn in the field.) There is further provision in the Regulations that if notice is not given within 15 days after harvesting is completed the Corporation reserves the right to reject any claim for indemnity. This provision is essential in order that inspection may be made while the facts can best be determined.

In making each inspection after the time of loss, the adjuster shall determine the time of loss on the insurance unit as set forth in Section IV, A, 1, b, hereof and compare this date with the date the insured gave notice of the loss at the county office, as shown on Form 8.

1. If this notice was given within 15 days after the time of loss the case shall be handled in the usual manner.
2. If the notice of loss was given more than 15 days after the time of loss but in sufficient time that a Statement in Proof of Loss could be filed within the 60-day period after the time of loss, the insured shall be informed of the requirement of the Regulations set forth above for giving notice within 15 days after the time of loss. The adjuster shall request the insured to submit along with the Statement in Proof of Loss, if one is filed, a statement showing the reasons for the delay in filing a notice of loss at the county office. In these cases, the adjuster shall submit a statement in triplicate showing (a) the portion of the acreage on which the stalks were still standing at the time of inspection, (b) whether the adjuster was able to accurately determine the actual acreage, (c) the method used in determining the actual production, (d) whether the adjuster is entirely satisfied that all production was accounted for, (e) whether the adjuster feels certain that he is able to ascertain the extent of any uninsurable cause of loss and the method of making per acre appraisals for such causes, (f) in what respect the evidence with regard to acreage and production is or is not as satisfactory as it would have been if the notice had been submitted within 15 days, and (g) any other facts which the adjuster considers pertinent to the case.
3. Where it is evident when the adjuster receives Form 8 that it will not be possible for the insured to submit the Statement in Proof of Loss within the 60-day period after the time of loss, he should act under existing instructions from the state director in such cases or request instructions from the state director as to whether he should make an inspection.

Where it is not evident at the time the adjuster receives the Form 8 that it is too late for the insured to file a Statement in Proof of Loss within the 60-day period after the time of loss, but he finds upon inspection that the notice was given too late to permit the inspection to be made and the Statement in Proof of Loss to be filed within this period, the adjuster shall make the inspection, prepare the inspection report and obtain from the insured a written statement as to the reasons for the delay in filing the notice of loss, and submit the case to the state director for consideration without preparing a Statement in Proof of Loss. However, if the insured insists upon filing a Statement in Proof of Loss in cases of this kind, he should be permitted to do so but he should be informed of the 15-day provision for reporting loss to the county office and the 60-day provision for filing Statements in Proof of Loss, but the adjuster should not sign these Statements in Proof of Loss indicating his approval.



### C. Delayed Statements in Proof of Loss, Form 867

The Regulations provide that the Statement in Proof of Loss shall be submitted not later than 60 days after the time of loss, unless the time for submitting the claim is extended in writing by the Corporation. This 60-day period will not be extended except in the most meritorious cases. Where a Statement in Proof of Loss is submitted more than 60 days after the time of loss as set forth in Section IV, A, 1, b, hereof the adjuster shall request the insured to submit along with the Statement in Proof of Loss a statement showing the reasons for the delay in order that a determination may be made as to whether the extension is to be granted.

In these cases, the adjuster shall submit a statement, in triplicate, showing (a) the portion of the acreage on which the stalks were still standing at the time of inspection, (b) whether the adjuster was able to accurately determine the actual acreage, (c) the method used in determining the actual production and per acre appraisals, (d) whether the adjuster is entirely satisfied that all production was accounted for, (e) whether the adjuster feels certain that he is able to ascertain the extent of any uninsurable cause of loss and the method of making per acre appraisals for such causes, (f) in what respect the evidence with regard to acreage and production is or is not as satisfactory as it would have been if the notice has been submitted within 60 days, and (g) any other facts which the adjuster considers pertinent to the case.

### SECTION VI DISTRIBUTION OF FORMS

A. The following distribution shall be made of the forms used in this procedure:

1. Form 8-Rev.

The state director's copy shall be forwarded to the director. The adjuster's copy shall be forwarded to the other Corporation representative designated by the director.

The county office copy shall be retained in the county office and filed in a temporary file until the county office copy of Form 763 or a copy of the letter to the insured from the adjuster is received from the adjuster, after which it shall be filed in the insured's folder.

2. Form 763

The state office copy shall be forwarded to the director. The insured's copy shall be given to the insured at the completion of the inspection.

The county office copy shall be filed in the insured's crop insurance folder on file in the county office.

3. Form 867

The adjuster shall forward all copies of Form 867, including the insured's copy, to the director.

After a review thereof has been made by the Corporation, the insured's copy will be mailed to him, the state office copy will be filed in the related folder, and the county office copy will be forwarded to the county office for filing in the insured's crop insurance folder after



any necessary corrections in the premium, as are indicated at the bottom of Form 867, are made on county office records of the insured's premium account.

4. Form FCI-15 "Transmittal Sheet"

Form FCI-15 will be prepared by the director. The branch office copy shall be forwarded to the branch office together with Forms 867 and attachments. The county office copy shall be forwarded to the county office. The state office copy shall be retained and filed in the state office.